

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 17, 2004

H.R. 2696 Southwest Forest Health and Wildfire Prevention Act of 2004

As ordered reported by the Senate Committee on Energy and Natural Resources on March 10, 2004

SUMMARY

H.R. 2696 would authorize the appropriation of \$15 million a year for the Secretary of Agriculture to establish and provide assistance to three research institutes. Those institutes would develop strategies to reduce the risk of wildfires and enhance the health of forests in certain western states. CBO estimates that implementing this legislation would cost \$2 million in 2004 and \$86 million over the 2004-2009 period, assuming appropriation of the specified amounts. H.R. 2696 would not affect direct spending or revenues.

H.R. 2696 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For this estimate, CBO assumes that H.R. 2696 will be enacted in fiscal year 2004 and that authorized amounts will be appropriated each year as specified in the legislation. Estimates of outlays are based on historical spending patterns for similar activities. The estimated budgetary impact of H.R. 2696 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars					
	2004	2005	2006	2007	2008	2009
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	15	15	15	15	15	15
Estimated Outlays	2	10	20	21	18	15

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2696 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The act would authorize the appropriation of federal funds to establish and fund research institutes that could be located at state universities in Arizona, New Mexico, and Colorado. Participation by these states would be voluntary.

PREVIOUS CBO ESTIMATE

On September 30, 2003, CBO transmitted a cost estimate for H.R. 2696 as ordered reported by the House Committee on Resources on September 24, 2003. The two versions of this legislation are identical. Differences in our estimates of outlays reflect a change in the assumed enactment date.

ESTIMATE PREPARED BY:

Federal Costs: Megan Carroll

Impact on State, Local, and Tribal Governments: Marjorie Miller

Impact on the Private Sector: Selena Caldera

ESTIMATE APPROVED BY:

Robert A. Sunshine Assistant Director for Budget Analysis